State Governments to borrow for development projects;

(b) whether it is also a fact that a similar request was made sometime back by the Chief Minister of Andhra Pradesh;

(c) if so, whether Government would consider the request formally; and

(d) if so, by when, and if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B ALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) No such request has been received by the Ministry of Finance.

(c) and (d) According to the RBI, the total debt of all State Governments more than doubled from Rs. 243,525 crores in 1997-98 to Rs. 498,839 crores in 2001-02 (BE). During this period of time, debt raised on the strength of State Government guarantees by State Owned Enterprises increased from Rs. 63,409 crores to Rs. 1,24,813 crores in respect of 17 major States. Both these factors have raised serious issues of debt sustainability in many States. Defaults on bonds backed by State Government guarantees have also increased alarmingly. The need to limit the further growth of debt raised by State Owned Enterprises backed by guarantees, and bring such borrowings within the discipline of Article 293(1) of the Constitution is a prudent step towards fiscal consolidation.

**Bureaucratic Laxity**

5042. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Government laxity hampers research says award winning scientist" which appeared in the Hindustan Times dated 22nd March, 2002;

(b) if so, the details thereof and Government's reaction thereto; and

(c) the measures proposed to be adopted to curb the bureaucratic laxity and indecisi veness which, as per the aforesaid report, are hampering the progress of research in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B ALASAHEB VIKHE PATIL): (a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) has reported that it had received a proposal from Appropriate Rural Technology Institute (ARTI), Pune seeking financial assistance for "Generation of Rural Self-Employment through Environmental

Friendly Technologies". The proposal envisaged training of entrepreneurs in low cost tank for storing rain water, improved chulhas, fuel requirements from charred sugarcane trash, nursery business for rural women, etc. Out of the above, nursery business for rural women was preferred, as the nursery activity is also one of the thrust areas of NABARD. The proposal was slightly modified and the project was sanctioned financial assistance.

(c) NABARD has reported that detailed guidelines including formats for submission of proposals for grant assistance from the R and D Fund of NABARD have been widely disseminated. But proposals received by NABARD continue to have information gaps which cause delay in sanction of projects. NABARD has also taken steps to make these formats available on its website.

**National Crop Insurance Scheme**

† 5043. SHR1KAILASH JOSHI: Will the Minister of FINANCE be pleased to state:

(a) since when the National Crop Insurance Scheme has been launched;

(b) the States where the same has been effected;

(c) whether the same has been effected in Madhya Pradesh and Chhattisgarh also; if so, since when and if not, what are the reasons therefor; and

(d) the action taken/being taken to effect the same in the said States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHR1 BALASAHEB VIKHE PATIL): (a) National Agricultural Insurance Scheme (NAIS) was introduced by the Government of India w.e.f. Rabi 1999-2000 season replacing the Comprehensive Crop Insurance Scheme (CCIS) which was in operation in the country since 1985.

(b) and (c) The Scheme is being implemented in 21 States/Union Territories *viz.* (1) Andhra Pradesh, (2) Assam, (3) Bihar, (4) Chhattisgarh, (5) Goa, (6) Gujarat, (7) Himachal Pradesh, (8) Jharkhand, (9) Kamataka, (10) Kerala, (11) Madhya Pradesh, (12) Maharashtra, (13) Meghalaya, (14) Orissa, (15) Sikkim, (16) Tamil Nadu, (17) Tripura, (18) Uttar Pradesh, (19) West Bengal, (20) Andaman & Nicobar Islands and (21) Pondicherry. While the undivided State of Madhya Pradesh joined the Scheme since inception thereof i.e. from Rabi 1999-2000 season, the newly created State of Chhattisgarh formally joined the Scheme from Rabi 2000-01 season.

(d) Does not arise.

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† Original notice of the question was received in Hindi.